Alberta Energy Regulator

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Proceeding 432

September 25, 2023

By e-mail only

Secure Energy Services Inc.
Attention: Kristen Welland and Ian Radzichowsky

RE: Reconsideration of the Alberta Energy Regulator's Decision, Dated April 20, 2022
Amended Application No.: 1932335 dated January 14, 2022
Qualico Developments West Ltd.
Reconsideration No.: 1940992
Decision on Participation of Secure Energy Services Inc. (SECURE)

Dear: Kristen Welland and Ian Radzichowsky:

I am writing on behalf of the Alberta Energy Regulator (AER) panel of hearing commissioners presiding over proceeding 432 (the panel).

The panel has decided to permit SECURE's participation in the hearing of the application, limited to filing written submissions, speaking to its submissions in the hearing and being available for questioning by the panel and parties adverse in interest to SECURE.

On July 13, 2023, the AER issued a notice of hearing to reconsider its April 20, 2022, decision on amended application no. 1932335 brought by Qualico Developments West Ltd. (Qualico).

On July 21, 2023, Qualico requested an extension to the deadline for submitting requests to participate. On July 26, 2023, AER amended the notice of hearing and set a filing deadline of August 10, 2023, for requests to participate, and August 17, 2023, for responses to requests to participate.

Qualico, Pembina Pipeline Corporation (Pembina) and Plains Midstream Canada ULC (Plains) were noted as parties to the hearing and asked to confirm their intention to participate in the hearing. On August 10, 2023, Qualico, Pembina, and Plains confirmed their intention to fully participate in the hearing.

On August 9, 2023, the AER received SECURE's letter requesting to participate in the hearing. SECURE filed a statement of concern on August 9, 2023, along with its request to participate.

SECURE explained it has a diverse suite of customer-driven solutions in environmental waste management, including existing pipelines and infrastructure in Alberta, which will be impacted by the AER decision in this hearing. SECURE also stated it owns lands and pipelines across Alberta and is concerned that, if the AER orders its peers, Pembina, and Plains, to alter pre-existing infrastructure to accommodate a land developer (Qualico) and orders a 50/50 sharing of cost, it will set a dangerous precedent. Setting this precedent would negatively impact SECURE's business, as potentially altering existing infrastructure to accommodate any land developer bears significant cost, and it would have a material and unnecessary environmental footprint and affect Albertans at large.

SECURE stated the AER should confirm the original decision that the application was not properly made under section 33(1) of the *Pipeline Act*. Additionally, even if an application under section 33(1) is the correct mechanism, it is not in the public interest as the application seeks to settle a private business dispute. In the event the AER does direct the alteration of the pipelines, SECURE believes Qualico should bear the full cost of the alteration.

On August 17, 2023, Qualico provided a reply to the Statement of Concern and Request to Participate submitted by SECURE. Qualico stated that SECURE's concerns seemed to be general in nature and that SECURE's request provided insufficient details for the AER to conclude that SECURE would be individually and personally affected by or otherwise have an interest in the application.

Pembina and Plains provided replies to the requests to participate, on August 17, 2023, and both stated that they took no position with respect to the filed requests to participate.

Section 34(3) of the *Responsible Energy Development Act* states that: "... a person who may be directly and adversely affected by the application is entitled to be heard at the hearing". In addition, the *Alberta Energy Regulator Rules of Practice* (Rules) give the hearing panel discretion to permit participation of persons who have a tangible interest and whose participation will materially assist without materially delaying the proceedings or repeating or duplicating evidence. The participation provisions in the Rules are intended to ensure a fair and efficient process and the development of a complete record that enables the panel to carry out its mandate.

The panel has considered SECURE's request to participate and statement of concern, as well as Qualico's reply submission. SECURE stated that it owns and operates environmental waste management facilities, including pipelines and infrastructure in Alberta.

While SECURE has raised issues that are similar to the issues raised by other parties to this proceeding, it also has some operations and perspectives different from other parties. In the panel's view, SECURE has demonstrated a tangible interest in the subject matter of the hearing and may assist the panel in deciding this matter.

For the above reasons and subject to further directions or rulings issued by the panel, the panel permits SECURE'S participation in the hearing to the following extent:

- filing written submissions according to the schedule to be set by the panel,
- speaking to its submissions in the hearing, and
- being available for questioning by the panel and by parties adverse in interest to SECURE.

The panel encourages participants to seek opportunities to coordinate their efforts with others, if possible, to avoid duplication of evidence and provide for an efficient and timely process. This does not preclude separate submissions and appearances at the hearing.

If you have any questions, please contact the undersigned at hearing.services@aer.ca.

Sincerely,

Elaine Arruda
Hearing Coordinator

cc: D. Brezina and A. Huxley, AER Panel Counsel
G. Fitch, McLennan Ross LLP (Qualico Developments West Ltd.)
S. Munro, Bennett Jones LLP (Pembina Pipeline Corporation)
D. Naffin, Bennett Jones LLP (Plains Midstream Canada ULC)
S. Fash, BILD Alberta
C. Nicholas, MLC Group Inc.
J. Marchese and P. Shaver, Avillia Developments Ltd.
K. Rowe, Cantiro Group LP
K. Anderson, Urban Development Institute – Edmonton Metro
S. Duncanson, Osler, Hoskin & Harcourt LLP (Keyera Corporation)
E. Dixon and M. Cherkawsky, McLennan Ross LLP (Brookfield Residential (Alberta) LP)
M. Davis, Melcor Developments Ltd.
S. Gerein, Qualico Developments West Ltd.